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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

IB Docket No. 95-117

In the Matter of)
)
Streamlining the Commission's)
Rules and Regulations for Satellite)
Application and Licensing Procedures)

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COMMENTS OF TELEDESIC CORPORATION

To: The Commission

I. INTRODUCTION

Teledesic Corporation ("Teledesic"), an applicant for authority to construct, launch and operate a global hybrid non-geostationary orbit ("NGSO") satellite system, by its attorneys and pursuant to Section 1.415 of the Rules and Regulations of the Federal Communications Commission ("FCC" or "Commission"), 47 C.F.R. § 1.415, respectfully submits the following comments in response to the Commission's Notice of Proposed Rulemaking.^{1/}

In the NPRM, the FCC proposes to streamline application and licensing procedures and requirements for satellite space and earth stations under Part 25 of the FCC's Rules. See NPRM, at para. 1. Specifically, the FCC proposes to waive, pursuant to Section 319(d) of the Communications Act of 1934, 47 U.S.C. § 319(d), the construction permit requirement for space stations.^{2/} This will allow applicants to begin construction of their satellite systems at their own risk prior to receiving a license. NPRM, at para. 7. As proposed by the FCC, prior

^{1/} Streamlining the Commission's Rules and Regulations for Satellite Application and Licensing Procedures, FCC 95-285, IB Docket No. 95-117 (released Aug. 11, 1995) ("NPRM").

^{2/} Section 319(d) of the Communications Act authorizes the FCC to waive the requirement for construction permits for any station or class of stations (other than broadcasting stations) if the Commission determines that the public interest, convenience and necessity would be served by such a waiver. The FCC has routinely granted waivers of the Section 319(d) construction permit requirement on a case-by-case basis. See Notice, at n.6.

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to construction, potential applicants will be required to notify the FCC in writing that they are beginning construction and acknowledge that they are proceeding at their own risk. Id. By waiving the construction permit requirement, the FCC will eliminate the need for applicants to request individual waivers under Section 319(d) of the Communications Act should they desire to begin construction of their systems prior to licensing. Id.

Teledesic supports the FCC's proposal to waive the construction permit requirement for space stations and permit an applicant to begin construction of its satellite system at its own risk prior to licensing. This will provide applicants for satellite systems with increased flexibility in their long-term business planning. The process of securing a license for a new satellite system often takes years, especially where there are frequency allocation issues that must be resolved prior to licensing. Preconditioning the initiation of construction on the receipt of a license unduly delays the delivery of new and innovative services to the public. The ability of an applicant to begin construction of space stations prior to receiving a license will provide an applicant with the opportunity, should it so desire, to initiate construction of its space stations in accordance with the timetable specified in its business plan. Once licensed, such an applicant will be positioned to more promptly deliver services to the public.

In addition, waiver of the construction permit requirement will decrease the administrative burdens associated with the processing of construction permit applications and requests for Section 319(d) waivers otherwise imposed on both the applicants and the Commission staff. See NPRM, at para. 8. Under the current approach, an applicant who wishes to commence construction of its space station prior to licensing is required to request a waiver. See 47 U.S.C. § 310(d); 47 C.F.R. § 25.113. FCC action on waiver requests takes

Commission resources away from the actual licensing process. Adoption of the proposed waiver will permit the FCC to reallocate its resources to the actual licensing process enabling the Commission to better meet its statutory mandate "to make available . . . a rapid, efficient . . . radio communication service." 47 U.S.C. § 151. Furthermore, because applicants will be able to follow the timetable set by their business plans, they will be in a better position to provide to the FCC the information required by Section 25.115(c)(21) of the FCC's Rules, 47 C.F.R. § 25.115(c)(21), including the dates by which construction will be commenced and completed.

Based on the foregoing, Teledesic urges the FCC to waive the construction permit requirement for space stations and allow applicants for non-geostationary satellite systems to begin construction of their satellites at their own risk prior to receiving a license. This proposal will serve the public interest by ensuring that the public receives new and innovative satellite services expeditiously.

Respectfully submitted,

TELEDESIC CORPORATION

By:



Tom W. Davidson, P.C.

Jennifer A. Manner, Esq.


Akin, Gump, Strauss, Hauer & Feld, L.L.P.
1333 New Hampshire Avenue, N.W.
Suite 400
Washington, D.C. 20036
(202) 887-4000
(202) 887-4288 (Fax)
Counsel for Teledesic Corporation

October 4, 1995

course of business the advancement of the funds as a loan to RVC. No funds were ever provided by MEA subject to any condition, including MEA's approval of any past, present or future actions of MMC. Beginning in 1989 and continuing several years thereafter, MEA has voluntarily funded RVC's monthly operating cash flow shortfalls, although it was not obligated in any way to fund such expenses.

9. Since 1990, MMC has been operating the Gulf of Mexico cellular radiotelephone system on an interim basis pending the sale of the system to a third party. Furthermore, since 1990, MMC has aggressively attempted to sell the System for the maximum value possible. Despite its more than five years of efforts, RVC has been unable to obtain a legitimate firm offer in excess of \$16.5 million.

10. I have reviewed the foregoing Opposition to Petition to Deny and attest that the facts stated therein are true and correct to the best of my knowledge and belief.


George H. Billings

Dated: October 3, 1995

CERTIFICATE OF SERVICE

I, Dayle L. Jones, an employee of Akin, Gump, Strauss, Hauer & Feld, L.L.P., certify that copies of the foregoing **COMMENTS OF TELEDESIC CORPORATION** were sent via Hand Delivery on this 4th day of October, 1995, to the following parties:

Mr. Tom Tycz
Division Chief
Satellite & Radiocommunications Div.
International Bureau
2000 M Street, NW
Suite 800
Washington, DC 20554

Ms. Paula Ford
Satellite Policy Branch
International Bureau
Federal Communications Commission
2000 M Street, NW
Room 502A
Washington, DC 20554

Scott Blake Harris, Esq.
Bureau Chief
International Bureau
Federal Communications Commission
2000 M Street, NW
Suite 800
Washington, DC 20554

Mr. Frank Peace
Satellite Engineering Branch
International Bureau
Federal Communications Commission
2000 M Street, NW
Suite 800
Washington, DC 20554

Cecily Holiday, Esq.
Deputy Chief
Satellite & Radiocommunications Div.
International Bureau
Federal Communications Commission
2000 M Street, NW
Suite 800
Washington, DC 20554


Dayle L. Jones